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The Risks that Should be Taken Into Account and Conditions that Needs to be Met before the Government Launches a Programme to Attack Corruption in the Civil Service

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Abstract: The critiques surrounding corruption is often brimming with copious disagreements. Central to the significant ambiguities on corruption rests on the various risks government should consider before launching systems to palliate corruption in the civil service. Corruption in the government or civil service has been a lethal canker creating deadweight loss to the economies of various countries. The appropriate structures designed by government to curb corruption is often determined to appeal to notions of fairness, equity and efficiency. The elasticity by which governments achieve notions of fairness, equity and efficiency depends on the willingness of governments to take the necessary risk incentives. More often, the dearth of willingness to undertake essential risk incentives to combat corruption has dysfunctionally ravaged effective policy outcomes in particular on allocative efficiency, distributional equity and macroeconomic stability. Also, various researches postulate the common sense argument that for services to be effectively and efficiently provided, corruption agencies and structures need clear mandate, adequate resources and sufficient flexibility to make decisions. Even with this common sense argument, corruption is still rampant across various institutions of the world which raises, pertinent questions on willingness of governments to take risks to expunge corruption. This paper therefore seeks to outline the risks that should be incorporated and the conditions that need to be met by government in an attempt to launch a programme to combat corruption in the civil service.

Keywords: Corruption; civil service; risks, incentives; Transparency and Accountability

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Introduction

“Corruption is worse than prostitution. The latter might endanger the morals of an individual, the former invariably endangers the morals of the entire country.”— Karl Kraus.

Transparency International (2008) defines corruption as “the misuse of entrusted power for private gain”. The menace of corruption is central on the agenda of policymakers and scholars. In view of this, the recent anti-corruption summit in London in May 2016 underscored the need to mitigate corruption as an essential tool for sustaining economic stability and growth. The causes of corruption has been imputed to low salaries, greed, and senior public officials’ immunity from prosecution among others. Governments around the world have set up anti-corruption agencies and policies however, corruption continues to be rampant in many countries. The central issues of corruption is seminal on the agenda of policy makers. According to World Economic Forum, 67 out of 144 countries surveyed reported corruption as being one of the top 3 challenges to doing business in their country (World Economic Forum Report, 2012).

Significantly, policy makers have been challenged to effectively combat corruption due to difficulties in measuring it empirically. Various methodologies for measuring corruption resort to perception statistics which are often repudiated and considered unreliable. Corruption management triggers the key obstacle of developing an accurate tool to measure corruption. Mitigation or expunging corruption helps to eliminate deadweight loss on economies and provides environment for constructive investments and development. Mitigating corruption further fosters saving and investment, good international relations, press freedom and poverty alleviation. Developing economies are besetted with higher levels of corruption. Research from Control Risk Group estimated in 2011 that developing economies lost about \$1 trillion to corruption, fraud and shady business deals (Control Risk Research, 2011). Also, the Knoll-Compliance Week Anti-Bribery and Corruption Benchmarking Report in 2013 reported 43% of the survey conducted tallied upsurge in corruption risks (Knoll Advisory Solutions-Compliance Week, 2013).

Different scholarly standpoint contrast their research results on corruption management. Research from the study of Bryane and Polner (2008) examined the problems of legislation and the issue of best organisational model to combat corruption. The authors argued implementation of risk management structures and prosecuting mechanics to effectively reduce corruption. Other researchers like Minh

(2007) contend a correlation between countries with high levels of corruption and large shadow economies. The study argued corruption crowds out enterprise out of formal economy. Moreover, the study by McLinden (2005) propound whole government approach to tackle corruption and recommends that any anti-corruption strategy should address both motive and opportunity. Further study by Hors (2001) points that depending on the type and level of corruption, different set of measures are required to achieve positive results and that any anti-corruption strategy should match the economic and political profile of the corruption problem. Similar, Heinemen, and Heiman (2006) contend rigorous monitoring to ensure governments uphold their commitments. They outline that disparate measures to combat corruption including understanding the cultural aspect of the problem, consideration of the cultural dimension of the problem helps to build robust enforcement, prevention and state building.

The study by Ferreira, Engelschalk and Mayville (2007) supported and further developed the argument of Minhle (2007) on the correlation between corruption and the size of the shadow market. The authors espouse mitigating rent-seeking opportunities and concluded that raising salary levels do not necessarily enhance ethical behaviour. Moreover, curbing corruption in the public section is mostly a major challenge and hence Thomas, Raballand and Bilanga (2010) present formulation, implementation and evaluation of the use of performance contracts to curb corruption. Consequentially, James and Gray (2007) propagate revision of legislation, implementation risk analysis, random audit and stronger enforcement and sanctions mechanisms to combat corruption. While scholars like Vogl et al (2000) argue the difficulty of setting up anti-corruption agencies and countries that have it in place have failed to mitigate corruption, (Svensson, 2005) contends that the level of corruption and organisation in a country is determined not only by GDP per capita and human capital but by political competitions and markets in a country. Moreover, a number of studies have elucidated the effectiveness of various anti-corruption strategies in countries with low levels of corruption (Franken, 2009, Herzfeld & Weiss 2003, Van Rijckeghem & Weder, 2001). This paper therefore seeks to independently address the risks that should be incorporated and the conditions that needs to be met by government in an attempt to launch a programme to combat corruption in the civil service.

The risks that should be taken into account and conditions that needs to be met before the government launches a programme to attack corruption in the civil service

The extent to which anti-corruption programmes launched would be efficacious is dependent on the conditions established in place by government. Monitoring and incentive scheme is a major condition that government needs to construct if its programme to tackle corruption is to be effectual. Douglass North's (1991) concept of institutions maintained that "institutions are humanly devised constraints that shape political, economic and social interaction". The quality of institutions governments establish will determine the extent to which corruption will be eradicated. Corruption have exacerbated in governments where the institutional structures lack the necessary monitoring and incentive schemes to curb corruption.

Monitoring and incentive schemes promotes rectitude in the civil service since it attempts to attenuate corruption by increasing the costs associated with indulging in corrupt behaviours. For instance, where the institutions of a country creates an independent and integrity of the judiciary system with incentives such as job stability, adequate salaries, pension benefits among others, and empowers prosecutors and defenders with internal control to expunge corruption with professional ethical codes and standards, corruption within the civil service is likely to be subdued. Olken (2007) in a study of monitoring and punishment incentive scheme contends that government audits reduce corruption by 8 percentage points or by 30% for the base line. Also, there is the need to align monitoring and incentive schemes since they work together to mitigate corruption. Incentives to stay honest tend not to have an impact when the likelihood of being caught is minimal. Similarly, monitoring on its own is ineffective due to an individual who have to face punishment for being corrupt (Banerjee et al, 2007).

In addition to this, setting programmes that change the underlying rules of the civil service is of vital priority to mitigate corruption. Monitoring and incentive schemes in the civil service could be fruitless because the monitoring agents could be compromised or bureaucrats could devise ways to preclude rules and standards. In view of this, complementary efforts and resources are needed to ameliorate monitoring and incentives to change either an aspect of the government system or the way services are delivered by the civil service (Asthana, 2008). Most services delivered by the civil service is excessively bureaucratic providing grounds for corruption. Civil services, which tend to be bureaucratic, are mostly devoid of the necessary monitoring and incentive programmes, creating avenues to aggravate

corruption. Government, by changing the rules of the civil service, through decentralization, building infrastructure and capacity of local government workers, with support from NGOs, promotes accountability to the local population, thereby reducing corruption. This further promotes transparency as citizens have the opportunity to question and check dubious acts of civil servants. The inclusion of citizens from all socio-economic classes facilitates effective reduction of corruption (Chavis, 2010).

The working conditions in the civil service is a major corruption risk that government has to be circumspect on. Productivity at the civil service is determined by the conditions in which the civil servants work with respect to amenities, physical environments, stress levels, remuneration among others. Where employees in the civil service have poor conditions of service, there is a high probability in indulging in corrupt practices. The working conditions of the civil servants has low levels of professionalism due to an ineffective mechanism for competitive selection for public service. The services performed by civil servants are by appointments from government, which, in some cases lack transparency and competition. Servants, who find themselves in positions of civil service, exhibit low levels of professionalism due to poor regulations of competitive process that exists in the legislations of governments (Khan, 2012).

Moreover, due to centralized decision making in the civil service, many servants tend to serve their supervisors than the government (public). These supervisors tend to make unlawful directions to civil servants when approving decisions, making servants susceptible to corrupt acts. For instance these supervisors may engage in accomplishing their personal goals at the expense of the values set for the civil services leading to erosion of the rule of law, denial of citizens' access to fair trial and fostering of impunity environments. Also, the working conditions of the civil service lacks effective rules of conduct for servants to follow should the legitimacy of order from the supervisors be in question. Thus, gaps in the regulations of working conditions triggers risk of corruption in the civil service (De Graaf, 2007).

In addition to this, the nature of work performed as well as the culture of the civil service is another corruption risk government needs to be wary of. The nature of work performed in the civil service is generally bureaucratic. The bureaucratic structures of the civil service enable servants to exercise discretion of their position to impose additional emoluments and charges upon the public. The process and structure of work as well as the reward schemes of the civil service can influence the risk of corruption. Culture tends to exert an essential influence on behaviour and this

is commonly found in the civil service where they display subcultures and countercultures in various subdivisions and outposts. The operating norms and practices of the civil service can be systemic and may deviate from proper process to expose corruption. Some norms and practices of the civil service shirk responsibility to manage corruption which results in what the World Bank terms as “quiet corruption”. With this type of corruption, monetary exchange is not involved, rather, potentially observable deviations which are difficult to observe as deviations from expected conducts such as absenteeism and deliberate bending of rules for personal aggrandizement are common (World Bank, 2010). It is in no doubt that the civil service, with high levels of corruption, tends to have poor supervisions and unenforceable codes and standards of ethical behaviours leading to weak monitoring of performance (Thorne & Jones, 2006).

Conclusion

The need to combat corruption is at the heart of many problems of the world. Corruption has detrimental consequences as it erodes the rules of law, denies citizens fair trial, violates human rights and undermines economic and social developments. Corruption is noted to trigger mammoth opportunity costs to various economies. Corruption has engendered higher risk of state capture, rapacious exercise of excessive amount of discretionary power over regulations. This further perpetuates bad governance and barriers to business entry. Also, corruption had created ample grounds for rent-seeking and inefficient resource allocation thereby distorting market prices. In areas where corruption breeds, local needs of populations are neglected and discriminated with many people thrown into destitution and perilous hunger. Also, various economies experience pervasive economic relapse due to the activities of corruption which causes loss of potential growth. In countries where there are persistent corruption, there exists excessive bureaucracy which daunts savings and investment and consequently adverse effects on GDP per capita of some countries. This paper has addressed the risks that should be incorporated and the conditions that need to be met by government in an attempt to launch a programme to combat corruption in the civil services. The paper underscored the need for government to be wary of risks such as working conditions and the culture of work in the civil service as well as consolidating institutional structure to incorporate monitoring and incentive schemes and further change the underlying rules of the civil service. “Corruption is worse than prostitution. The latter might endanger the

morals of an individual, the former invariably endangers the morals of the entire country”. Governments must therefore endeavour to eradicate corruptions at all levels to promote growth and development.

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